



# Virginia, Minnesota: Creating Housing for Everyone

## Virginia, Minnesota

**T**he City of Virginia, Minnesota, located within the Mesabi Iron Range approximately 60 miles north of Duluth, has a long history of iron ore and taconite mining. To address contamination issues related to the area's former mining activity, EPA awarded Virginia a Brownfields Assessment Pilot grant in May 1999. With assistance from the EPA Pilot, the city has leveraged approximately \$28 million in redevelopment funding for restoration projects. The transformation of former mine dumps has created jobs and housing opportunities for local citizens and improved the quality of life in the community.

Three former mine dumps—known as the Oneida Addition, Fairview Addition, and Northern Heights properties—were originally targeted for restoration by the city's Enterprise Mine Area Redevelopment Project. Of these properties, the Oneida Addition has thus far seen the most redevelopment activity. The property was used during the 1950s as a dump site for mining by-products, such as tailings and low-grade ore. From the 1950s through 1995 the property was owned by USX, an iron-mining subsidiary of U.S. Steel. After 1960, USX leased the land for large garden plots and recreational uses to various entities, including the City of Virginia. In 1995, the city received the site through an exchange arranged by the Iron Range Resources and Rehabilitation Board (IRRRB), whereby USX turned the property over to the city and IRRRB provided USX with a grant for operational plant improvements.

EPA's Brownfields Pilot conducted an initial assessment of the Oneida Addition site, which indicated that there was little contamination beyond a few empty barrels. The only cleanup required was removal of the barrels and other minor debris. Having the assessment results available for potential purchasers helped promote the site's redevelopment. Two developers each purchased a portion of the property and have since transformed their respective sections into an Alzheimer's patient care unit and assisted/independent living facility, and an office/showroom for construction equipment.

The Alzheimer's unit and assisted/independent living facilities were precisely what the City of Virginia needed. The city had conducted a housing study in 1999 that illustrated a need for turnover in the housing market to provide more middle-income families with access to affordable housing. The study also revealed a need for a retirement facility for the city's aging population. The developer recognized that the area had an underserved elderly population and that its plans for the site's reuse were

## JUST THE FACTS:

- Three former mine dumps—known as the Oneida Addition, Fairview Addition, and Northern Heights properties—were originally targeted for restoration by the city's Enterprise Mine Area Redevelopment Project.
- EPA's Brownfields Pilot conducted an initial assessment of the Oneida Addition site, which indicated that there was little contamination beyond a few empty barrels. The only cleanup required was removal of the barrels and other minor debris.
- Creation of an Alzheimer's patient care unit and an assisted/independent living complex on the Oneida Addition site represents \$12 million in cleanup and redevelopment funding, in addition to 115 new jobs.
- The remaining properties of the Enterprise Mine Area Redevelopment project, Northern Heights and the Fairview Addition, have been assessed through the Pilot program and currently have commercial and residential developments underway.

*Built on a former mine dump, a new Alzheimer's patient care unit and assisted living facilities were precisely what the city needed. The developers recognized that the area had an underserved elderly population and that its plans were well suited. A vice president of one of the development companies confirmed the value of EPA's initial assessments, saying, "We would not have developed the site if there was serious contamination present."*

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The Alzheimer's patient care unit has a capacity of 28 patients, with another 14 units to be completed. The partially completed assisted/independent living complex will have a total of 115 assisted living apartments and 20 independent apartments. There is already a waiting list for those wishing to live there. The creation of these facilities represents a total of \$12 million in cleanup and redevelopment funds in addition to 115 permanent jobs when both projects are complete. The development has not only aided the elderly members of the community, but has also allowed younger residents to purchase the newly vacated houses.

The remaining properties of the Enterprise Mine Area Redevelopment project, Northern Heights and the Fairview Addition, have been assessed through the Pilot program and currently have commercial and residential developments underway. The Northern Heights property is expected to house a golf course with a club house, a relocated concrete company, and residential units. The concrete company is in the process of relocating from a downtown lakeshore property in order to open up the lakefront area for reuse as greenspace. The Fairview Addition is being developed into single family housing units. In total, these properties have leveraged upwards of \$5 million for redevelopment.

In addition to the Enterprise Mine Redevelopment project, the city is targeting two other properties for assessment, cleanup, and redevelopment-the West Chestnut property and the Highway 53 Corridor. The West Chestnut property, which was determined to require no cleanup following a Pilot assessment, was a railroad spur and lumber loading area. The property is now the site of a Blue Cross/Blue Shield adjudication center. The adjudication center currently employs 150 workers and represents \$6 million in redevelopment investment. A planned \$4.4 million expansion of the center is expected to create an additional 185 jobs when complete. The Highway 53 Corridor is targeted for reuse as a business community and a light industrial area. To date, only assessment work has been completed on the Highway 53 Corridor, but \$403,000 has already been leveraged from the Minnesota Department of Trade and Economic Development and St. Louis County.

The City of Virginia has been able to create new residential space, increase the tax base, and restore blighted areas to productive use with the help of EPA Brownfields grants.

## **CONTACTS:**

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Visit the EPA Brownfields web site at:

<http://www.epa.gov/brownfields/>